99TH CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
99-977

MAKING APPROPRIATIONS FOR THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AND FOR SUNDRY INDEPENDENT AGENCIES, BOARDS, COMMISSIONS, CORPORATIONS, AND OFFICES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1987

OCTOBER 7, 1986.—Ordered to be printed

Mr. BOLAND, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 5313]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5313) "making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1987, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 20, 28, 31, 40, 41, 42, 47, 48, 53, 58, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 9, 11, 18, 19, 26, 29, 34, 36, 37, 38, 43, 45, 52, 55, 56, 57, 60, and 61, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert *$1,350,000,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$150,000,000,000*; and the Senate agree to the same.

Amendment Numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

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In lieu of the matter stricken and inserted by said amendment insert *$17,000,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$34,100,000*; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *Provided further, that none of these funds shall be available after August 31, 1987, for any Commissioners' offices located in the Logan Building*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$7,500,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, and follows:

In lieu of the sum proposed by said amendment insert *$1,411,300,000*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,900,000*; and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$262,000,000*; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,091,700,000*; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,317,000,000*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,406,150,000*; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows;

In lieu of the sum proposed by said amendment insert *$76,500,000*; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows;

In lieu of the sum proposed by said amendment insert *$9,411,817,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 5, 7, 8, 10, 13, 14, 15, 21, 23, 24, 27, 30, 32, 33, 50, 62, and 63.

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Managers on the Part of the House.

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PATRICK LEAHY,
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J. BENNETT JOHNSTON,
FRANK R. LAUTENBERG,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5313) making appropriations for the Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1987, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

TITLE I—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and proposed by said amendment, insert the following:

(INCLUDING RESCISSION)

The amount of contracts for annual contributions, not otherwise provided for, as authorized by section 5 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437c), and heretofore approved in appropriations Act, is increased by $601,259,278: Provided, That such amount of contracts for annual contributions is further increased by such amounts as may be necessary to permit the obligation of budget authority heretofore provided in appropriations Acts and carried over into fiscal year 1987: Provided further, That the budget authority obligated under contracts for annual contributions shall be increased above amounts heretofore provided in appropriations Acts by $7,805,668,000: Provided further, That any part of the amount of the increase in budget authority provided for in the immediately foregoing proviso that is available under this Act for public housing development and acquisition costs or which is to be used for amendments for such costs, shall be available as appropriation of funds, to remain available until expended, for grants, which are hereby authorized in lieu of loans under section 4(a) of the United States Housing Act of 1937 (42 U.S.C. 1437b), and which the Secretary may make on substantially the same terms (except for repayment unless repayment is a properly imposed sanction) as those heretofore set forth in annual contributions contracts for loans and annual contributions: Provided further, That during 1987 and thereafter, any amounts of budget authority which are carried over

from a prior year, or which are otherwise available for obligation, and which are available for public housing development and acquisition costs, together with any amounts of budget authority which are to be used for amendments for such costs, in accordance with any Act, shall also be made available as an appropriation of funds for grants, under the same terms as those applying under the immediately preceding proviso: Provided further, That of the budget authority provided herein, $137,938,000 shall remain available until expended for assistance in financing the development or acquisition cost of public housing for Indian families; $1,436,940,000 shall be available as an appropriation of funds, to remain available until expended, for modernization of existing public housing projects pursuant to section 14 of such Act (42 U.S.C. 14371); $1,602,786,540 shall be for assistance for projects developed for the elderly or handicapped under section 202 of the House Act of 1959, as amended (12 U.S.C. 1701q); $790,950,000 shall be for the section 8 existing housing program (42 U.S.C. 1437f); $716,287,500 shall be for the section 8 moderate rehabilitation program (42 U.S.C. 1437f); $1,025,000,000 shall be available for the housing voucher program under section 8(o) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f), for use, notwithstanding the limitations in section 8(o)(1) of such Act that the Secretary conduct a demonstration, and in section 8(o)(4) of such Act that the Secretary use substantially all authority in connection with certain programs, in connection with the rental rehabilitation program under section 17 of such Act and for any other purposes as determined by the Secretary; $200,000,000 shall be available as an appropriation of funds, to remain available until September 30, 1989, only for rental rehabilitation grants pursuant to section 17(a)(1)(A) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437o); and $99,550,000 shall be available as an appropriation of funds, to remain available until September 30, 1989, only for development grants pursuant to section 17(a)(1)(B) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437o): Provided further, That with respect to grants as authorized by section 17(a)(1)(B) of the United States Housing Act of 1937 (42 U.S.C. 1437o) which are made using funds made available under this paragraph, notwithstanding the rental housing vacancy rate criteria of the third and sixth sentences of section 17(d)(2) of such Act, no unit of general local government shall be eligible for such a grant unless the percentage of rental dwelling units within its jurisdiction which are vacant is less than the national percentage of rental dwelling units that are vacant and a percent of rental dwelling units within its jurisdiction which are vacant for more than two months is less than the national percentage of dwelling units that are vacant for more than two months, except that the housing vacancy criteria specified in this paragraph shall not apply to grants authorized by the seventh sentence of such section 17(d)(2): Provided further, That of the $7,805,668,000 of budget authority provided herein, $200,000,000 shall remain available until expended for assistance in financing the development or acquisition cost of public housing (other than for Indian families) and for major reconstruction of obsolete public housing projects (other than for Indian families), and an amount equal to the amounts of budget authority which have been reserved or obligated

for such purpose in a prior year and which are recaptured during fiscal year 1987 (not including such amounts as may be recaptured from amounts heretofore obligated for such assistance for Indian families, and amounts that become available for rescission pursuant to section 4(c)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437b)) shall also be made available as an appropriation of funds for such purpose: Provided further, That any part of the $200,000,000 and the recaptured amount referred to in the immediately foregoing proviso may in the discretion of the Secretary, based on applications, submitted by public housing authorities, be used for new construction or major reconstruction of obsolete public housing projects (other than for Indian families): Provided further, That an amount equal to the amounts of budget authority which have been reserved or obligated for assistance in financing the development or acquisition cost of public housing for Indian families and which have been recaptured (not including amounts that become available for rescission pursuant to section 4(c)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437b)), in addition to other amounts of budget authority specified for such purpose under this Act, shall be made available as an appropriation of funds, to remain available until expended for grants for such development or acquisition cost of public housing for Indian families: Provided further, That an amount equal to the amounts of budget authority which have been reserved or obligated for assistance for modernization of existing public housing projects pursuant to section 14 of such Act (42 U.S.C. 1437l) and which are recaptured (not including amounts that become available for rescission pursuant to section 4(c)(3) of the Act (42 U.S.C. 1437b)) or which are carried over from a prior year or are otherwise available for obligation, shall be made available as an appropriation of funds, to remain available until expended, for grants for modernization of existing public housing projects: Provided further, That none of the amounts available for obligation in 1987 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439): Provided further, That all amounts of budget authority (and contract authority) equal to the amounts of budget authority (and contract authority) reserved or obligated for programs under section 8 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437f), which are recaptured during fiscal year 1987 shall be rescinded.

Amounts of funds for rental rehabilitation grants as authorized by section 17(a)(1)(A) of the United States Housing Act of 1937 and for development grants as authorized by section 17(a)(1)(B) of such Act (42 U.S.C. 1437o) that were appropriated under this heading in the Department of Housing and Urban Devevelopment-Independent Agencies Appropriations Act, 1985 (Public Law 98-371, 98 Stat. 1213, 1215, amending Public Law 98-45, 97 Stat. 219, 220), to become available in part during fiscal year 1984, and in part on October 1, 1984, shall remain available for obligation until September 30, 1987; and the balance of the amounts of funds for rental rehabilitation grants and for development grants, that were appropriated under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1986 (Public Law 99-160, 99 Stat. 909), to be available during fiscal year 1986,

which remains following sequestration under the President's order of February 1, 1986, pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177; H. Doc. 99-160, 99th Cong. 2d Sess., pages 462-463), shall remain available until September 30, 1988: Provided, That the foregoing extensions of the periods of availability for the respective amounts of funds shall apply only to amounts which are recaptured, and section 17(b)(4) of the United States Housing Act of 1937 (relating to reallocations of fund amounts for rental rehabilitation) shall not apply to the respective amounts for rental rehabilitation grants: Provided further, That section 17(d)(4)(G) of such Act is amended by inserting before the semicolon the following: "(36 months after notice in the case of projects for which funding notices were issued prior to July 23, 1985)".

Section 17(f) of the United States Housing Act of 1937 is amended by adding at the end of the following new sentence: "This subsection shall not apply to requirements relating to rents imposed on a structure as a condition of receiving financial assistance under a program of the State of New York for the rehabilitation of the structure if (1) the dollar amount of the State financial assistance (including the principal amount of loans) exceeds the dollar amount of financial assistance provided for the structure under this section, and (2) the structure is privately owned by (A) a person or family whose income does not exceed 80 percent of the median income for the metropolitan statistical area where the structure is located (or the country, if located outside such an area), or (B) a not-for-profit corporation or charitable organization which has as one of its primary purposes the improvement of housing for such persons, or by a wholly owned subsidiary of such a corporation or organization.".

The method of calculation, the preliminary fee, and the percentage established for administrative fees paid to a public housing agency administering a contract under this heading shall be the method of calculation, the preliminary fee, and the percentage established by the Secretary as of September 30, 1986.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The committee of conference has included a total of $244,712,000 for public housing project rehabilitation and new construction. In making these funds available, the conferees are encouraging maximum flexibility by permitting the public housing authorities to apply either for total rehabilitation of existing unoccupied housing projects or apply for additional new units.

In this connection, the conferees direct that the Department issue a notice of funding availability which grants appropriate housing authorities the option of requesting additional units either through new construction or through project rehabilitation. In providing funding for public housing construction in fiscal year 1986, the conference committee specifically limited the project rehabilitation option to 20 percent of the total of funds provided. For fiscal year 1987 no such percentage limitation is applied. However, the conferees want to make clear that the local public housing authorities should be given maximum flexibility in determining what public housing requirements are most essential for that authority and

that locality. It is expected that these funds will make available approximately 2,500 new or rehabilitated public housing units.

The conferees expect the Department and the Office of Management and Budget to adhere to the 1987 program detailed in the following table. The Department is expected to continue to utilize the regular reprogramming procedure if any changes are required to the agreed upon program contained in the table.

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING FY 1987—GROSS RESERVATIONS

	Units	Cost	Contract authority	Term	Budget authority
Recaptures	NA	NA	$14,400,400	NA	$264,362,000
Rescission of section 8 recaptures	NA	NA	−12,225,000	NA	−199,100,000
New authority	NA	NA	601,259,278	NA	7,805,668,000
Total available	NA		603,434,678		7,870,930,000
Public housing:					
Indian housing	2,000	$68,969	NA	NA	137,938,000
Indian housing recaptures	NA	NA	NA	NA	20,550,000
Public housing development/reconstruction	NA	NA	NA	NA	[1] 200,000,000
Development/reconstruction recaptures	NA	NA	NA	NA	[2] 44,712,000
Amendments	NA	NA	NA	NA	58,900,000
Lease adjustments	NA	NA	NA	NA	16,300,000
Modernization	NA	NA	NA	NA	[3] 1,436,940,000
Subtotal, public housing	2,000				1,915,340,000
Section 8:					
Section 202:					
Section 202	12,000	6,678	80,139,327	20	1,602,786,540
Section 202 amendments	NA	NA	11,000,000	20	220,000,000
Subtotal, section 202	12,000		91,139,327		1,822,786,540
Housing vouchers:					
Free-standing and rental rehabilitation	50,000	4,100	205,000,000	5	1,025,000,000
Section 8 opt outs	1,000	4,100	4,100,000	5	20,500,000
Public housing demolitions	2,500	4,100	10,250,000	5	51,250,000
Voucher PHA fees	NA	470	25,145,000	5	125,725,000
Subtotal, vouchers	53,500		244,495,000		1,222,475,000
Certificates	10,000	5,273	52,730,000	15	790,950,000
Moderate rehabilitation	7,500	6,367	47,752,500	15	716,287,500
Loan management	10,000	3,751	37,510,000	5	187,550,000
Property disposition	3,000	5,039	15,117,000	15	226,755,000
Amendments:					
New/sub. rehabilitation	NA	NA	500,000	20	10,000,000
Existing housing	NA	NA	70,000,000	5	350,000,000
Loan management	NA	NA	39,890,851	7	279,235,960
Moderate rehabilitation	NA	NA	3,000,000	10	30,000,000
Property disposition	NA	NA	1,300,000	15	20,000,000
Subtotal, amendments	NA	NA	114,690,851		689,235,960
Subtotal, section 8	96,000	NA	603,434,678		5,656,040,000
Total, public housing and section 8	98,000	NA	603,434,678		7,571,380,000
Section 17 development	NA	NA	NA		99,550,000
Section 17 rehabilitation	NA	NA	NA		200,000,000
Total use of authority	NA	NA	603,434,678		7,870,930,000

[1] To be used for project development or major reconstruction.
[2] Represents estimated public housing recaptures to be available to augment new funds for project development or reconstruction. Amount is estimated and will vary depending on amount of recaptures.
[3] In addition, modernization recaptures are to be available as appropriation for modernization grants.

Amendment No. 2: Appropriates $3,400,000 for congregate services as proposed by the House, instead of $3,000,000 as proposed by the Senate.

Amendment No. 3: Appropriates $1,350,000,000 for payments for operation of low-income housing projects, instead of $1,300,000,000 as proposed by the House and $1,400,000,000 as proposed by the Senate. In addition to these funds, it is estimated that approximately $175,000,000 will be available as a carryover from fiscal year 1986. When these monies and the estimated carryover are taken together with the fiscal year 1987 recommendation, the total should be more than sufficient to meet actual performance funding system (PFS) requirements.

The committee of conference directs that any funds available in 1987 over and above PFS requirements *shall* be made available to PHAs for increased liability insurance expenditures not reflected in the base PFS formula. In that connection, while the committee of conference recognizes that insurance costs have substantially impacted local public housing authorities, the conferees believe that both the Department and the PHAs should work to establish some type of maximum liabilty "cap". The conference committee expects that the Department will report by June 30, 1987 under what conditions the above noted excess funds have been distributed for insurance premiums.

Amendment No. 4: Appropriates $3,500,000 for housing counseling assistance as proposed by the Senate, instead of $4,000,000 as proposed by the House.

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$100,000,000,000.*

The managers of the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 6: Establishes the 1987 limitation on Government National Mortgage Corporation commitments for guarantees of mortgage-backed securities at $150,000,000,000, instead of $132,500,000,000 as proposed by the House and $160,000,000,000 as proposed by the Senate.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer to recede and concur in the amendment of the Senate exempting the neighborhood development demonstration from the administrative expense ceiling.

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer to recede and concur in the amendment of the Senate earmarking $2,000,000 to be made available to carry out a neighborhood development demonstration. With respect to the Secretary's Discretionary Fund, the conferees agree that $56,000,000 shall be available. Of the increase, $3,000,000 is earmarked for the Community Work Study program and $6,000,000 is for technical assistance. The Committees will consider reprogramming requests to shift funds for high priority special projects.

Amendment No. 9: Makes a technical change in referencing the authorizing legislation.

REHABILITATION LOAN FUND

Because the Department delayed allocating 1986 Section 312 funds until late August, local agencies did not have time to process loan applications by the September 30 deadline. As a result, agencies could not approve all meritorious projects in 1986. The Department is therefore directed to continue to process 1986 loan applications during 1987. In addition, the Committee expects OMB and HUD to make 1987 Section 312 funds available upon enactment of this Act.

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

During 1987 and each succeeding fiscal year, any city within a metropolitan area shall be considered to be a metropolitan city under section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) if such city—

(1) was entitled to a grant of a hold-harmless amount under section 106(h) of such Act as such section was in effect prior to the enactment of Public Law 96-399;

(2) had, according to the 1980 decennial census, a population of 36,957; and

(3) received a preliminary grant approval on March 8, 1984, for an urban development action grant under section 119 of the Housing and Community Development Act of 1974.

A city which qualifies as a metropolitan city pursuant to paragraphs (1), (2), and (3) of this section shall be eligible in fiscal year 1987 for a grant under section 106(b)(1) of the Housing and Community Development Act of 1974, as amended, notwithstanding the provisions of section 102(d) of such Act: Provided, That any such city which had entered into a cooperation agreement to include its population in that of an urban county, as provided in section 102(a)(6)(B)(ii) of such Act, shall only be eligible for such a grant if both the city and urban county mutually agree to terminate such cooperation agreement for such fiscal year.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 11: Appropriates $225,000,000 for urban development action grants as proposed by the Senate, instead of $275,000,000 as proposed by the House.

Amendment No. 12: Appropriates $17,000,000 for research and technology, instead of $16,173,000 as proposed by the House and $18,000,000 as proposed by the Senate, and deletes language proposed by the Senate extending the availability of funds.

The conferees agree that $300,000 is specifically earmarked to study private financing mechanisms and public/private alternatives for developing housing for persons with disabilities. The Department should seek a nonprofit group broadly representative of

the disability community to conduct this study and to provide technical assistance, information dissemination, and outreach activities to encourage such development.

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *and during 1987, notwithstanding any other provision of law, the Department of Housing and Urban Development shall maintain an average employment of at least 1,270 for Public and Indian Housing Programs, $647,385,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

In addition to the $15,738,000 increase in the FHA transfer, the committee of conference is in agreement with the following changes from the budget estimate for the appropriation:

+$20,667,000 for 534 staff years to support the recommended program levels.

+$5,000,000 for approximately 140 staff years to begin rebuilding the public housing program.

−$300,000 and 7 staff years in departmental management.

+$1,000,000 for the Housing Assistance Council.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate prohibiting the closing of any HUD field office in 1987 and requiring the re-opening of any HUD field office closed in the past twelve months.

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate establishing the eligibility for the counties of Maui, Kauai, and Hawaii in the urban development actions grants program.

TITLE II—INDEPENDENT AGENCIES

Consumer Product Safety Commission

Amendment No. 16: Appropriates $34,100,000 for salaries and expenses, instead of $34,452,000 as proposed by the House and $33,000,000 as proposed by the Senate. The conferees agree to the following changes from the budget request.

−$500,000 and 9 FTE from the two vacant Commissioners' offices and Congressional affairs.

+$400,000 and 9 FTE for substantive staff in the hazard programs,

+$600,000 to complete the study on cigarette fire safety, including $50,000 additional for travel costs of the technical review committee,

+$485,000 and 2 FTE for indoor air research. The Commission should submit its research plan to the Committees on Appropriations by January 1, 1988.

+$15,000 for miscellaneous expenses related to co-location of CPSC offices, including any costs associated with holding special hearings in the downtown area.

Amendment No. 17: Restores language proposed by the House and stricken by the Senate limiting payments for rent in the Logan Building, amended to substitute August 31, 1987 for March 31, 1987. The conferees agree that the co-location of all CPSC Headquarters offices will enhance efficiency and improve operations at the Commission. To give the Commission adequate time to assure an orderly transition, the statutory deadline proposed by the Administration and included in the House bill has been delayed from March 31 to August 31. However, the conferees support the Senate report's position that this move should be accomplished at the earliest feasible date and that CPSC should submit its plan to the Committees on Appropriations by December 31, 1986.

Department of Defense—Civil

Cemeterial Expenses, Army

Amendment No. 18: Appropriates $15,783,000 for salaries and expenses as proposed by the Senate, instead of $6,701,000 as proposed by the House. The conferees' agreement includes funding for a parking garage for the permanent visitors' center with the understanding the Army will initiate a parking rate for the use of the facility commensurate with a sixteen-year payback period.

Environmental Protection Agency

Amendment No. 19: Appropriates $701,107,000 for salaries and expenses as proposed by the Senate, instead of $696,047,000 as proposed by the House. The conferees agree to the following changes from the budget request:

−$1,500,000 and 25 FTE from research and development,

+$6,000,000 and 100 FTE for the drinking water and groundwater programs,

+$4,500,000 and 75 FTE for enforcement activities,

+$1,500,000 and 25 FTE for the hazardous waste program,

+$1,200,000 and 20 FTE for radon to be evenly divided between mitigation research and field activities related to the national survey, technical assistance and information dissemination,

+$360,000 and 6 FTE for ozone studies,

+$300,000 and 5 FTE for studies on climate change,

+$200,000 and 3 FTE for regulatory development for designated hazardous air pollutants,

+$600,000 and 10 FTE for reviews of high priority active ingredients.

With respect to the issue of EPA regulations on gasoline vapor emissions, the conferees urge that the proposed rulemaking be published as soon as possible. The background information discussed in the House report should be provided to the Congress concurrently with the Agency's submission of the proposed regulations for publication in the Federal Register.

Amendment No. 20: Appropriates $202,500,000 for research and development as proposed by the House, instead of $200,434,000 as proposed by the Senate. The conferees agree on the following changes from the budget request:

−$3,934,000 as a general reduction to be applied at the Administrator's discretion,

+$3,000,000 for the Health Effects Institute. The major portion of the preceding general reduction was taken to offset this specific earmarking, even though EPA indicated these funds were included in the base. The conferees believe that HEI's mission and the special nature of its co-funding with the automobile industry require that funds be explicitly identified in future budget justifications. The Agency is directed to prepare the 1988 and subsequent budget justifications in this manner.

+$3,000,000 for exploratory research of which at least $1,500,000 shall be dedicated to studies of ozone depletion and climate change, as long as peer review finds sufficient proposals to be fundable,

+$2,500,000 for the hazardous waste management center,

+$1,000,000 for total exposure assessment studies,

+$1,300,000 for radon mitigation research,

+$1,000,000 for Great Lakes research,

+$300,000 for targeted indoor air research,

+$1,000,000 for drinking water and groundwater research,

+$300,000 for a desert ecology study, and

+$300,000 for arctic research.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert the following: *$582,685,000, of which $50,000,000 shall be available for the purposes of the Asbestos School Hazards Abatement Act of 1984, as amended, including not more than $2,500,000 for administrative expenses and not more than $5,000,000 to defray the costs of reinspections of schools for asbestos as required by law or regulation, with all of such funds*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The committee of conference is in agreement on the following changes from the budget request:

−$3,300,000 from underground tank state grants,

+$10,000,000 for water quality state grants,

+$5,000,000 for public water system state grants,

+$1,000,000 for underground injection control state grants,

+$3,000 000 for hazardous waste state grants for employee training,

+$1,000,000 for the comprehensive RCRA training initiative,

+$6,000,000 for drinking water standards and guidelines,

+$1,800,000 for operator training,

+$2,600,000 for the Rural Water Association,

+$1,000,000 for academic training targeted to professional training of state staff.

+$3,000,000 for estuary studies to be allocated at the discretion of the Administrator. The conferees are in agreement that up to $1,000,000 may be made available for studies in Long Island Sound conducted by NOAA. These funds, however, shall only be made available after the EPA Administrator and the

Long Island Sound Management Committee determine that NOAA's research plan is consistent with the objectives of the overall research plan and of sufficient priority to justify funding.

+$5,000,000 for ozone and climate studies.

+$300,000 for NESHAPS.

+$500,000 to expand and accelerate the national radon survey.

+$4,500,000 for Clean Lakes. No grants shall be awarded or funds obligated prior to June 1, 1987, unless this program has been reauthorized.

+$500,000 for Great Lakes monitoring.

+$50,000,000 for asbestos in schools. Bill language has been included to provide that up to $5,000,000 of these funds may be available as assistance to schools or states to subsidize the costs of reinspections as required by either law or regulation. The conferees feel strongly that these reinspections should be done in a thorough, *consistent* manner so as to identify asbestos containing materials which present a significant health concern. To this end, EPA should develop the necessary standards, criteria and mechanisms to assure the quality, reliability and consistency of reinspections.

Bill language has been included to permit up to $2,500,000 to be available for administrative costs. Of these funds, $1,200,000 is for state and local inspector training, $500,000 is for additional inspections by Senior Environmental Employees (SEE) personnel, $300,000 is to complete the asbestos abatement efficacy study, and the remaining funds are for other administrative expenses. The conferees remain concerned over the quality and safety of abatement work and urge EPA to continue efforts in the training and certification area, with a minimum of $200,000 provided to each of the pilot centers in 1987. In this regard, the conferees expect EPA to continue to apply contractor certification requirements at least as stringent as those in effect in fiscal year 1986. The Agency is also urged to place a high priority on completing the air monitoring study currently underway. Finally, the conferees direct that EPA either accelerate the grant solicitation process or fund high priority applications already on hand so as to award all grants by April 1, 1987. This schedule should permit schools to undertake and complete abatement work during the 1987 summer recess.

The committee of conference urges the Administrator to examine whether there is significant value in a public education program which focuses on how the activities of individuals can contribute to controlling and reducing non-point source pollution. This review should be undertaken as a high priority and the Administrator's views should be forwarded to the Committees on Appropriations as early as possible, but no later than November 15, 1986.

Amendment No. 22: Appropriates $7,500,00 for buildings and facilities, instead of $5,000,000 as proposed by the House and $9,500,000 as proposed by the Senate.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *of which $2,000,000 shall be for construction of a laboratory addition at the Environmental Research Center at the University of Nevada, Las Vegas, and $500,000 shall be for renovation of research facilities at the Edison, New Jersey Complex.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that these funds should be used to add or renovate space used solely for research purposes.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

ADVANCES TO TRUST FUNDS

For payment, as repayable advances to the Hazardous Substance Response Trust Fund, when specifically authorized by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, and to the Leaking Underground Storage Tank Trust Fund, as authorized by the Superfund Amendments and Reauthorization Act of 1986, borrowed funds as may be necessary to carry out the purposes of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, and section 205 of the Superfund Amendments and Reauthorization Act of 1986.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out Leaking Underground Storage Tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, $50,000,000, to remain available until expended: Provided, That no more than $7,000,000 shall be available for administrative expenses.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees want to make clear that the repayable advance language will only provide advances from the general fund of the Treasury if such advances are specifically authorized in legislation including additional Superfund taxing authority. The $1,461,300,000 appropriated in this bill for Superfund and the Leaking Underground Storage Tank program can be obligated only to the extent that funds are made available from new tax revenues.

The conferees intend that the $7,000,000 administrative expense limitation be used to provide 85 FTE to administer the Leaking Underground Storage Tank program. It is important that this program be put in place as rapidly as possible to develop guidelines, negotiate cooperative agreements, and undertake corrective actions and enforcement activities.

Amendment No. 25: Appropriates $1,411,300,000 from the Hazardous Substance Response Trust Fund, instead of $861,300,000 as proposed by the House and $1,650,000,000 as proposed by the Senate.

Amendment No. 26: Deletes language proposed by the House and stricken by the Senate withholding the availability of funds for obligation until released in a subsequent appropriations Act.

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That none of the funds appropriated under this heading shall be available for sections 311(d), 111(n)(3), 111(b) or 111(c)(2) of CERCLA, as amended, or sections 118(l) or 118(o) of the Superfund Amendments and Reauthorization Act of 1986: Provided further, That, notwithstanding section 111(m) of CERCLA, as amended, or any other provision of law, not to exceed $30,000,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 111(c)(4), 104(i), 111(c)(14), and 118(f) of the Superfund Amendments and Reauthorization Act of 1986: Provided further, That of the amounts appropriated under this heading in Public Law 99-160, $600,000,000 are rescinded.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have included bill language to specifically prohibit use of the Superfund to finance certain activities authorized by the Superfund Amendments and Reauthorization Act. The specific exclusions apply to the Gulf Coast Research Center, the Pacific Northwest Research Center, the additional 5 to 10 university research centers, and Natural Resource Damage Claims. The conferees believe that until the Agency evaluates and defines specific research requirements, the Superfund should be reserved for higher priority site-related activities affecting public health and safety.

The conferees are aware that a number of sections in the Superfund amendments authorize activities which are not eligible for funding under the Superfund. In such cases, the conferees want to make clear that such activities are only eligible for funding under the base program and should compete with other program priorities. In particular the conferees note that section 118(k) and Title IV of the Superfund amendments, dealing with radon and indoor air quality, are not germane to nor eligible for funding under the Superfund program.

The conferees are fully aware that the new Superfund legislation charges EPA with sweeping new responsibilities. It requires the Agency to move toward alternative technologies and permanent solutions to site problems and, at the same time, sets ambitious mandatory schedules. The involvement of both State and local governments in site cleanup are greatly increased, as well as public participation in the remedial process. The new legislation broadens removal authorities and establishes enforcement procedures for negotiating settlements with responsible parties. The law also provides for a larger EPA role in cleanup actions at Federal facilities. It expands the research and development authorities to evaluate alternative and innovative technologies, conduct health effects research, and support increased site-related research. In addition, the

Agency must provide additional resources to support contracting, information and personnel needs.

In the 1986 appropriation, the Committee added 100 FTE above the requested level of 1,716 for the Superfund program. The increase in the 1987 administrative expense limitation of $135,000,000 is intended to cover an additional 600 FTE, for a total of 2,416 FTE. The Committee expects that OMB and EPA will take all steps necessary to fill these positions as expeditiously as possible—assuming the program is reauthorized and funds are available for obligation in the Superfund Trust Fund.

The conferees have also included language which establishes a $30,000,000 ceiling on 1987 funds for the Agency for Toxic Substances and Disease Registry (ATSDR). This action sets aside the legislative requirement that ATSDR receive a minimum of $50,000,000 from the Superfund Trust Fund. The conferees note that the ATSDR obligated only $12,000,000 in 1985 and $9,000,000 in 1986. The $30,000,000 ceiling in 1987 should provide adequate resources to expand ATSDR activities and permit the EPA Administrator an opportunity to make recommendations on future funding requirements.

Finally, the conferees urge the EPA Administrator to examine carefully the role of the technical assistance grants authorized under section 117 of the Act. The conferees believe these grants are appropriate and will fill a critical void in certain situations. However, questions remain over what criteria will govern decisions to make such grants, how local groups will be selected, and what activities will be made eligible. The conferees believe the purpose of these grants should be to facilitate decisions on site cleanup actions and expect EPA to prepare these regulations with that goal in mind. Finally, the conferees understand that under the Superfund amendments, no technical assistance grants can be made until regulations have been promulgated. The Agency is urged to accelerate this rulemaking.

Amendment No. 28: Restores language proposed by the House and stricken by the Senate increasing the administrative expense limitation by $135,000,000.

Amendment No. 29: Deletes language proposed by the House and stricken by the Senate concerning advanced treatment reviews and funding availability. Language pertaining to these issues is included in amendment number 30.

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *of which $600,000,000 shall be made available and derived from sums previously appropriated for this purpose in Public Law 99-190: Provided, That availability of funds made available under this section shall not be limited to phases or segments of previously funded projects: Provided further, That allocation of the sums made available under this section shall be in accordance with the formula in effect on October 1, 1984: Provided further, That of the funds appropriated in this paragraph $1,200,000,000 shall not become available until the enactment of a subsequent appropriations Act*

authorizing obligation of such funds: Provided further, That none of these funds may be used for any project providing treatment more stringent than secondary, unless the project has been reviewed in accordance with the Environmental Protection Agency's advance treatment review policy

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. Bill language has been included to restrict the availability of $1,200,000,000 of the 1987 construction grants appropriation. The conferees agree that these funds will not be released until enactment of a subsequent appropriations bill after this program is reauthorized in the Clean Water Act amendments. Language concerning advanced treatment reviews proposed by the House and stricken by Senate amendment number 29 has also been restored.

Amendment No. 31: Deletes language proposed by the Senate earmarking construction grants funding for Clark County, Nevada.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment making a technical change as follows:

In lieu of the matter inserted by the Senate amendment, insert the following: *: Provided further, That no unit of government shall receive less in 1987 than it received in 1985 under sections 205(g) and 205(j) of the Federal Water Pollution Control Act*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment making technical changes as follows:

ADMINISTRATIVE PROVISION

Not to exceed $5,000,000 of the funds collected by the Environmental Protection Agency pursuant to 31 U.S.C. 9701 for quality assurance mandatory services and for quality assurance materials shall hereafter be credited to the appropriation which incurred the costs therefor and shall be available for the purposes of that appropriation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

EXECUTIVE OFFICE OF THE PRESIDENT

Amendment No. 34: Appropriates $800,000 for the Council on Environmental Quality as proposed by the Senate, instead of $670,000 as proposed by the House. The conferees expect that these funds will be used to augment the Council's technical and scientific staff.

Amendment No. 35: Appropriates $1,900,000 for the Office of Science and Technology Policy, instead of $1,671,000 as proposed by the House and $2,217,000 as proposed by the Senate.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Amendment No. 36: Appropriates $120,000,000 for disaster relief as proposed by the Senate, instead of $175,000,000 as proposed by

the House. The conferees agree to the lower appropriation level due to an unobligated balance carried forward from fiscal year 1986 of approximately $200,000,000. Expeditious consideration in a subsequent appropriations bill will be given should additional sums be necessary.

Amendment No. 37: Deletes language proposed by the House and stricken by the Senate transferring $5,385,000 of disaster relief funds to the salaries and expenses appropriation for the direct and indirect costs of approximately 90 disaster assistance employees. The conference agreement provides funding for approximately 90 disaster assistance positions in the salaries and expenses appropriation.

Amendment No. 38: Appropriates $124,000,000 for salaries and expenses as proposed by the Senate, instead of $118,507,000 as proposed by the House. The increase of $5,493,000 above the budget request provides for the disaster assistance employees formerly funded from the disaster relief account.

The conferees agree to the following staffing changes from the budget estimate:

+16 FTE for the Disaster Relief Administration.

+10 FTE for the radiological emergency preparedness program.

+6 FTE to administer the emergency food and shelter program.

+8 FTE for the hazardous materials program.

+20 FTE for the United States Fire Administration.

−60 FTE to be applied at the Agency's discretion to programs other than those with aforementioned increases.

Amendment No. 39: Appropriates $262,000,000 for emergency management planning and assistance, instead of $250,743,000 as proposed by the House and $273,800,000 as proposed by the Senate.

The committee of conference is in agreement with the following changes from the budget estimate:

+$13,123,000 for the civil defense program. This amount includes $18,000 for State and local direction, control and warning; $666,000 for training and education; and $12,439,000 for telecommunications and warning, with $7,234,000 for the national radio system and $5,205,000 to be evenly allocated among the three components of the FEMA Switched Network.

+$500,000 for the radiological emergency preparedness program.

−$10,000,000 from the government preparedness program.

+$767,000 for the Emergency Management Institute.

+$1,667,000 for the National Fire Academy.

+$5,200,000 for the U.S. Fire Administration.

Amendment No. 40: Restores language proposed by the House and stricken by the Senate transferring $9,300,000 to the salaries and expenses appropriation for administrative costs of the insurance programs and $45,200,000 to the emergency management planning and assistance appropriation for flood plain management activities, including $4,720,000 for the purchase of property program, from the National Flood Insurance Fund.

Amendment No. 41: Deletes language proposed by the Senate limiting 1987 costs from the National Flood Insurance Fund to not

to exceed $9,300,000 for administrative expenses of the insurance programs and $45,200,000 for flood plain management activities.

Amendment No. 42: Restores language proposed by the House and stricken by the Senate appropriating $70,000,000 for the emergency food and shelter program with the funds distributed through the Federal Emergency Management Agency.

Department of Health and Human Services

Amendment No. 43: Appropriates $1,750,000 for the Office of Consumer Affairs as proposed by the Senate, instead of $1,000,000 as proposed by the House. The committee of conference is in agreement that the highest priority should be placed on the Consumer Information Catalog and that the historical level of at least $300,000 should be provided for distribution of that and other OCA publications through the Consumer Information Center.

National Aeronautics and Space Administration

Amendment No. 44: Appropriates $3,091,700,000 for research and development instead of $3,020,700,000 as proposed by the House and $3,122,100,000 as proposed by the Senate. The following table displays the pertinent changes from the revised fiscal year 1987 budget request:

[Dollars in millions]

Project or activity	Revised request	Conference
Space transportation capability development	$507.5	$471.5
IUS airborne supt. equipment replacement	36.0	0
Space science and applications	1,465.0	1,550.0
Upper atomospheric research satellite	121.2	141.2
TOPEX	29.0	19.0
Advanced communications technology satellite	0	77.0
Shuttle infrared telescope facility	2.0	0
Space research and technology	180.2	185.2
Transatmospheric research and technology	35.0	40.0

The $2,000,000 reduction in the space science and applications research and analysis function shall be taken from Phase B studies for the shuttle infrared telescope facility. The $5,000,000 added to space research and technology shall be combined with an additional $5,000,000 and made available for the enhanced flight telerobotics program as outlined in the plan submitted to the Committees on July 22, 1986. These funds may be used by the space research and technology office or the space station office at the agency's discretion.

Amendment No. 45: Deletes language proposed by the House and stricken by the Senate concerning the transfer of personnel from the Johnson Space Center and limiting space station Phase C/D development funds.

Finally, in the research and development account, the conferees are "capping" the 1987 amounts for a number of programs. In accordance with agreement as outlined in a letter from NASA to the

Committees dated August 9, 1984, these "caps" may not be exceeded without the approval of the Committees on Appropriations:

(1) Space Station—$260,000,000
(2) Upper stages—$166,100,000
(3) Hubble Space Telescope—$96,000,000
(4) Venus Radar Mapper (Magellan)—$70,000,000
(5) Ocean Topography Experiment (TOPEX)—$19,000,000
(6) Galileo—$77,000,000.

Amendment No. 46: Appropriates $3,317,000,000 for space flight control and data communications, instead of $3,038,000,000 as proposed by the House and $3,624,000,000 as proposed by the Senate. The changes from the revised fiscal year 1987 request are as follows:

[Dollars in millions]

Project or activity	Revised request	Conference
Shuttle production and capability development	$1,134.4	$884.4
Orbiter	461.0	211.0
Space shuttle operations	1,345.7	1,602.7
Space and ground networks	862.9	829.9
Space network (replacement TDRSS)	407.3	374.3

The level provided for space shuttle operations assumes a split of the Air Force payment for shuttle services ($531,000,000) with $266,000,000 carried in the 1987 HUD–Independent Agencies Appropriations Bill and $265,000,000 in the Department of Defense Appropriations Bill. In addition a general reduction of $9,000,000 may be applied at the agency's discretion.

Amendment No. 47: Deletes language proposed by the Senate delaying the availability of funds. The funds provided in lieu of the Air Force payment in this bill are available for obligation upon enactment.

Amendment No. 48: Appropriates $166,300,000 for construction of facilities as proposed by the House, instead of $174,300,000 as proposed by the Senate.

National Science Foundation

Amendment No. 49: Appropriates $1,406,150,000 for research and related activities, instead of $1,333,300,000 as proposed by the House and $1,479,000,000 as proposed by the Senate.

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows: *not more than $85,060,000 shall be available for astronomical sciences: Provided further, That of the funds appropriated in this Act, or from funds appropriated previously to the Foundation,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Foundation may make reductions at its discretion, subject to approval of an operating plan, with the following exceptions:

The budget request for visiting professorships for women, research improvement in minority institutions, and minority research centers of excellence shall be maintained at the level of $10,990,000.

The budget request of $133,660,000 for ocean sciences shall be maintained at that level.

The budget request of $35,000,000 for global geosciences shall be maintained at that level.

The budget request of $85,060,000 for astronomical sciences shall be maintained at that level.

Also, the conferees urge that consideration be given to funding the advanced scientific computing activity at the maximum extent possible.

In view of the reduction recommended from the original budget request, the committee of conference has placed a limitation on funding for astronomical sciences to ensure that this program does not receive a disproportionately higher share of the Foundation's appropriation.

The Committees were advised by the NSF that in fiscal year 1986 a total of $500,000 would be made available to the International Institute for Applied Systems Analysis IIASA. Those funds have not been awarded to date. Therefore, the conferees direct that $500,000 of fiscal year 1986 monies be made available immediately and that an additional $500,000 be allocated to IIASA in fiscal year 1987.

Amendment No. 51: Establishes the limitation on program development and management at not more than $76,500,000 from 1987 and previously appropriated funds, instead of $75,000,000 from 1987 and previously appropriated funds as proposed by the House and $78,000,000 from 1987 funds as proposed by the Senate.

Neighborhood Reinvestment Corporation

Amendment No. 52: Appropriates $19,000,000 for payment to the Neighborhood Reinvestment Corporation as proposed by the Senate, instead of $18,669,000 as proposed by the House.

Selective Service System

Amendment No. 53: Appropriates $26,128,400 for salaries and expenses as proposed by the House, instead of $27,000,000 as proposed by the Senate.

Veterans Administration

Amendment No. 54: Appropriates $9,411,817,000 for medical care, instead of $9,488,612,000 as proposed by the House and $9,240,176,000 as proposed by the Senate.

The conference agreement of $9,411,817,000 for medical care reflects the following changes from the budget request:

+$396,159,000 for 8,848 FTE to maintain the current hospital staffing level of 193,941.

+$2,115,000 for 100 FTE to fund implementation of third-party reimbursement and means test legislation. This increase will provide a total of $3,675,000 and 199 FTE to implement these legislative changes. Any Additional personnel needed for

this effort can be absorbed within the administrative support ceiling or supplemental funds can be requested.

—$72,000,000 to be taken at the VA's discretion in non-personnel areas so as not to affect the number of patients treated. Areas of consideration in achieving such savings include those outlined in the Senate report.

The budget requests $10,000,000 for beneficiary travel in 1987. The conferees agree that any proposal to increase funds for this activity would be subject to normal reprogramming procedures.

The amount of funding is specifically intended to support 194,140 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTEE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common service FTEEs.

Amendment No. 55: Appropriates $189,915,000 for medical and prosthetic research as proposed by the Senate, instead of $193,915,000 as proposed by the House.

The amount of funding is specifically intended to support 4,413 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTEE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common services FTEEs.

Amendment No. 56: Appropriates $41,194,000 for medical administration and miscellaneous operating expenses as proposed by the Senate, instead of $41,694,000 as proposed by the House.

This amount of funding is specifically intended to support 591 full-time equivalent employees (FTEEs) with the understanding that, in accordance with established Congressional practice, any additional pay costs necessary to support that FTEE level will be borne by the VA, using funds made available by this measure, funds made available through the enactment of supplemental appropriations, or through absorption of the costs, or some combination thereof. This FTEE level does not include common services FTEEs.

Amendment No. 57: Appropriates $760,000,000 for general operating expenses as proposed by the Senate, instead of $763,531,000 as proposed by the House.

Amendment No. 58: Restores language proposed by the House and stricken by the Senate providing that the St. Paul Insurance Center shall not be closed in fiscal year 1987, instead of blocking closure until July 1, 1987 as proposed by the Senate.

Amendment No. 59: Appropriates $382,708,000 for construction, major projects as proposed by the House, instead of $291,000,000 as proposed by the Senate.

The approved major construction projects are the same as carried in House Report 99-731. The conferees agree that four projects

added above the budget estimate are unique and require early initiation. These include funds for the construction of the New York City VA medical center outpatient and clinical addition and alterations project; site acquisition funds for a new medical center in Palm Beach County, Florida; design funds for a replacement medical center in Pittsburgh (Aspinwall Division), Pennsylvania; and design funds for a 120-bed nursing home care unit/parking structure in New Orleans, Louisiana. The conferees note that the funding for the design of the New York project was approved by the Administration and funded in fiscal year 1985. The conferees have provided the funds to complete the project. Similarly the conferees note that the VA's most recent five-year medical facility construction needs assessment identifies design funds for Pittsburgh (Aspinwall) and site acquisition funds for Palm Beach County as required in 1987. Pittsburgh was ranked fifth in importance nationally and Palm Beach County was ranked ninth in importance nationally, and the conferees direct that the funding for these projects be initiated in fiscal year 1987. The conferees also note that the City of New Orleans is exploring innovative methods to expedite the 120-bed nursing home project earlier than the scheduled fiscal year 1989 start in design. This proposal could permit the reduction of almost $15,000,000 in the cost of the facility and the conferees agree to expedite the project in order to effect the savings.

Amendment No. 60: Appropriates $80,000,000 for construction, minor projects as proposed by the Senate, instead of $65,562,000 as proposed by the House.

Amendment No. 61: Establishes the limitation on expenses of the Office of Facilities at not more than $38,000,000 as proposed by the Senate, instead of not more than $37,885,000 as proposed by the House.

Amendment No. 62: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed in said amendment, insert the following:

Appropriations available to the Veterans Administration for "Parking garage revolving fund" may be increased by a transfer from "Construction, major" and "Construction, minor" not to exceed 10 per centum of the appropriation so augmented.

Such sums may be transferred from the "Compensation and pensions" appropriation to the "Medical care" appropriation as may be necessary to provide for increased pay costs to maintain an average employment of 194,140 in the "Medical care" appropriation.

Average employment for administrative support in fiscal year 1987 in the "Medical care" appropriation shall not exceed 37,700.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees assume that employee pay will be increased in 1987. To ensure that sufficient funds are available to maintain the recommended hospital staffing level, a transfer provision has been included in the bill. The language provides for the transfer of such sums as may be necessary to provide for increased pay costs to maintain an average employment of 194,140. Any funds absorbed

for increased pay costs are to come from non-personnel areas that will not reduce the number of patients treated.

Medical care employment has increased in the last two years by two percent, from 190,297 in 1984 to 194,347 estimated in 1986. However, administrative support staffing has increased over the same period by more than six percent, from 35,738 in 1984 to an estimated 38,044 in 1986. At the same time, direct medical care staffing has increased by one percent, from 128,506 in 1984 to an estimated 129,824 in 1986. To control the number of administrative support staffing in 1987, a limitation of 37,700 on such personnel has been included in the bill.

TITLE V—SHELTER PROGRAMS

Amendment No. 63: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

TITLE V—SHELTER PROGRAMS

PART A—GENERAL PROVISIONS

SEC. 501. SHORT TITLE.

This title may be cited as the "Homeless Housing Act of 1986".

SEC. 502. DEFINITIONS.

For the purpose of this title—

(1) the term "homeless" means families and individuals who are poor and have no access to either traditional or permanent housing;

(2) the term "local government" means a unit of general purpose local government;

(3) the term "locality" means the geographical area within the jurisdiction of a local government;

(4) the term "private nonprofit organization" means a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1954 which is exempt from taxation under subtitle A of such Code, and which has an accounting system and a voluntary board, and which practices nondiscrimination in the provision of assistance;

(5) the term "Secretary" means the Secretary of Housing and Urban Development;

(6) the term "State" means any of the several states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any territory or possession of the United States;

(7) the term "homeless person" means a homeless person who is capable within a reasonable amount of time of living independently;

(8) the term "housing for homeless persons" means a structure suitable for the provision of housing and supportive services in an appropriate group setting;

(9) the term "recipient" means any governmental or private nonprofit entity that is approved by the Secretary as to financial responsibility;

(10) the term "operating costs" means expenses incurred by a recipient operating housing for homeless persons under this part with respect to—

(A) the administration, maintenance, repair, and security of such housing;

(B) utilities, fuels, furnishings, and equipment for such housing;

(C) the conducting of the assessment required in section 513(c)(2); and

(D) the provision of supportive services to the residents of such housing; and

(11) the term "supportive services" means assistance in obtaining permanent housing, medical and psychological counseling and supervision, employment counseling, nutritional counseling, and such other services essential for maintaining independent living as the Secretary determines to be appropriate. Such term includes the provision of assistance to residents of housing for homeless persons in obtaining other Federal, State, and local assistance available for such persons, including mental health benefits, employment counseling, and medical assistance.

PART B—TRANSITIONAL HOUSING DEMONSTRATION PROGRAM

SEC. 511. ESTABLISHMENT OF DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Secretary shall carry out a program in accordance with the provisions of this part to develop innovative approaches for providing transitional housing and supportive services for homeless persons, focusing on those capable of moving into independent living.

(b) PURPOSES.—The demonstration program carried out under this part shall be designed to determine—

(1) the cost of acquisition, rehabilitation, acquisition and rehabilitation, or leasing of existing structures for the provision of housing for homeless persons;

(2) the cost of operating such housing and providing supportive services to the residents of such housing; and

(3) the social, financial, and other advantages of such housing and supportive services as a means of assisting homeless persons.

SEC. 512. TYPES OF ASSISTANCE.

(a) IN GENERAL.—The Secretary may provide the following assistance under the demonstration program established in this part

(1) a non-interest-bearing advance, in an amount not to exceed $200,000, of the aggregate cost of acquisition, rehabilitation, or acquisition and rehabilitation of an existing structure for use in the provision of housing and supportive services for homeless persons, whichever is less;

(2) annual payments for operating costs of such housing, not to exceed 75 percent of the annual operating costs of such housing; and

(3) technical assistance in establishing and operating such housing and providing supportive services to the residents of such housing.

(b) NONREPAYMENT OF ADVANCES.—Any advance provided under subsection (a)(1) shall not be required to be repaid if the recipient involved utilizes the structure for which such advance is made as housing for homeless persons in accordance with the provisions of this part for not less than the 10-year period following initial occupancy of such housing, or if the Secretary determines that such structure is no longer needed for use as transitional housing and approves the use of such structure for another charitable purpose, for the remainder of such 10-year period. If the applicant fails to comply with the conditions for waiver of repayment, the applicant shall repay to the Secretary in cash the full amount of the advance received on such terms as may be prescribed by the Secretary.

SEC. 513. PROGRAM REQUIREMENTS.

(a) APPLICATIONS.—Applications for assistance under this part shall be made in such form and in accordance with such procedures as the Secretary shall establish.

(b) SELECTION CRITERIA.—In selecting recipients for assistance under this part, the Secretary shall consider—

(1) the ability of the applicant to develop and operate housing for homeless persons and to provide or coordinate supportive services for the residents of such housing;

(2) the innovative quality of the proposal in providing housing and supportive services in a manner which facilities the transition to independent living;

(3) the need for such housing and supportive services in the area to be served; and

(4) such other factors as the Secretary determines to be appropriate for purposes of carrying out the demonstration program established by this part in an effective and efficient manner.

(c) REQUIRED AGREEMENTS.—Each recipient under this part shall agree, with respect to each structure for which such assistance is provided—

(1) to operate transitional housing assisting residents in the transition to independent living and limiting the stay of individual residents to a period to be established by the Secretary;

(2) to conduct an assessment of the supportive services required by the residents of such structure;

(3) to employ a full-time residential supervisor with sufficient expertise to provide, or supervise the provision of, supportive services to the residents of such structure;

(4) to utilize such structure as housing for homeless persons in accordance with the provisions of this part for not less than the 5-year period following initial occupany of such housing;

(5) to monitor and report to the Secretary on the progress of homeless persons assisted; and

(6) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the demonstration program established in this part in an effective and efficient manner.

(d) OCCUPANT RENT.—Each homeless person residing in housing assisted under this part shall pay as rent an amount determined in accordance with the provisions of section 3(a) of the United States Housing Act of 1937.

SEC. 514. GUIDELINES.

(a) IN GENERAL.—Not later than the expiration of the 180-day period following the date of enactment of this Act, the Secretary shall issue such guidelines as may be necessary to carry out the provisions of this part.

(b) ADVANCE CONSULTATION.—Before issuing guidelines under this section, the Secretary shall consult with persons and entities having expertise with respect to the problems and needs of homeless persons or experience in providing housing or supportive services for such persons.

(c) PUBLICATION.—Guidelines established under subsection (a) shall be published annually and whenever modified in the Federal Register. The Secretary shall be subject to the procedural rulemaking requirements of subchapter II of chapter 5 of title 5, United States Code.

SEC. 515. REPORTS TO CONGRESS.

The Secretary shall submit to the Congress—

(1) not later than 3 months after the end of fiscal year 1987, an interim report summarizing the activities carried out under this part during such fiscal year and setting forth any preliminary findings or conclusions of the Secretary as a result of such activities; and

(2) not later than 6 months after the end of fiscal year 1988, a final report summarizing all activities carried out under this part and setting forth any findings, conclusions, or recommendations of the Secretary as a result of such activities.

SEC. 516. LIMITATION ON BUDGET AUTHORITY.

The aggregate amount of non-interest bearing advances and annual payments for operating expenses made by the Secretary under this part in fiscal year 1987 may not exeed $5,000,000 from the amount made available under section 526. Such amount shall remain available until expended.

PART C—EMERGENCY SHELTER GRANTS PROGRAM

SEC. 521. GRANT ASSISTANCE.

The Secretary shall, to the extent of amounts approved in appropriations Acts under section 526, make grants to States, units of local government, and to private nonprofit organizations providing assistance to the homeless in order to carry out activities described in section 525.

SEC. 522. ALLOCATION AND DISTRIBUTION OF ASSISTANCE.

(a) IN GENERAL.—The Secretary shall allocate assistance under this part to metropolitan cities, urban counties, and States (for distribution to units of general local government in the States) in a manner that ensures that the percentage of the total amount available under this part for any fiscal year that is allocated to any State, metropolitan city, or urban county is equal to the percentage

of the total amount available for section 106 of the Housing and Community Development Act of 1974 for such prior fiscal year that is allocated to such State, metropolitan city, or urban county.

(b) MINIMUM ALLOCATION REQUIREMENT.—If, under the allocation provisions applicable under this part, any metropolitan city or urban county would receive a grant of less than $30,000 for any fiscal year, such amount shall instead be reallocated to the State.

(c) DISTRIBUTIONS TO NONPROFIT ORGANIZATIONS.—Any unit of general local government receiving assistance under this part may distribute all or a portion of such assistance to private nonprofit organizations providing assistance to the homeless.

(d) REALLOCATION OF FUNDS.—

(1) The Secretary shall, not less than twice during each fiscal year, reallocate any assistance provided under this part that is unused or returned or which becomes available under subsection (b).

(2) The Secretary shall provide such reallocation funds—

(A) to units of general local government demonstrating extraordinary need or large numbers of homeless individuals;

(B) to private nonprofit organizations providing assistance, to the homeless; and

(C) to meet such other needs consistent with the purposes of this part.

SEC. 523. ELIGIBLE ACTIVITIES.

Assistance provided under this part may be used for the following activities relating to emergency shelter for the homeless:

(1) renovation, major rehabilitation, or conversion of buildings to be used as emergency shelters;

(2) provision of essential services, including services concerned with employment, health, drug abuse, or education, if—

(A) such services have not been provided by the unit of general local government during any part of the immediately preceding 12-month period; and

(B) not more than 15 percent of the amount of any assistance to a unit of general local government under this part is used for activities under this paragraph; and

(3) maintenance, operation (other than staff), insurance, utilities, and furnishings.

SEC. 524. RESPONSIBILITIES OF GRANTEES.

(a) SUBMISSION OF HOMELESS ASSISTANCE PLAN.—Following notification by the Secretary of eligibility for assistance under this part, each State, metropolitan city, and urban county shall submit to the Secretary a plan describing the proposed use of such assistance. The Secretary shall provide the appropriate amount of assistance to such State, metropolitan city, or urban county before the expiration of the 60-day period following the date of the submission of such plan, unless the Secretary determines before the expiration of such period that such plan is not in compliance with this part.

(b) MATCHING AMOUNTS.—

(1) Each grantee under this part shall be required to supplement the assistance provided under this part with an equal amount of funds from sources other than this part. Each grant-

ee shall certify to the Secretary its compliance with this paragraph, and shall include with such cert.ification a description of the sources and amounts of such supplemental funds.

(2) In calculating the amount of supplemental funds provided by a grantee under this part, a grantee may include the value of any donated material or building, the value of any lease on a building, any salary paid to staff to carry out the program of the grantee, and the value of the time and services contributed by volunteers to carry out the program of the grantee at a rate determined by the Secretary.

(c) ADMINISTRATION OF ASSISTANCE.—Each grantee shall act as the fiscal agent of the Secretary with respect to assistance provided to such grantee.

(d) CERTIFICATIONS ON USE OF ASSISTANCE.—Each grantee shall certify to the Secretary that—

(1) it will maintain as a shelter for the homeless for not less than a 3-year period any building for which assistance is used under this part, or for not less than a 10-year period if such assistance is used for the major rehabilitation or conversion of such buildings;

(2) any renovation carried out with assistance under this part shall be sufficient to ensure that the building involved is safe and sanitary; and

(3) it will assist homeless individuals in obtaining—

(A) appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living; and

(B) other Federal, State, local, and private assistance available for such individuals.

SEC. 525. ADMINISTRATIVE PROVISIONS.

(a) REGULATIONS.—Not later than the expiration of the 60-day period following the date of enactment of this Act, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this part. Such requirements shall be subject to section 553 of title 5, United States Code. The Secretary shall issue requirements based on the initial notice before the expiration of the 12-month period following the date of enactment of this Act.

(b) INITIAL ALLOCATION OF ASSISTANCE.—Not later than the expiration of the 60-day period following the date of enactment of a law providing appropriations to carry out this part, the Secretary shall notify each State, metropolitan city, and urban county that is to receive a direct grant, of its allocation of assistance under this part. Such assistance shall be allocated and may be used notwithstanding any failure of the Secretary to issue requirements under subsection (a).

SEC. 526. APPROPRIATIONS FOR PARTS B AND C.

There are authorized to be appropriated and there are hereby appropriated to the Department of Housing and Urban Development for fiscal year 1987, $15,000,000 to remain available until expended to carry out part B and this part.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1987 recommended by the Committee of Conference, with comparisons to the fiscal year 1986 amount, the 1987 budget estimates, and the House and Senate bills for 1987 follow:

New budget (obligational) authority, fiscal year 1986	$58,147,383,984
Budget estimates of new (obligational) authority	46,488,047,700
House bill, fiscal year 1987	54,006,168,700
Senate bill, fiscal year 1987	53,678,039,800
Conference agreement, fiscal year 1987	53,577,802,700
Conference agreement compared with:	
New budget (obligational) authority fiscal year	−4,569,581,284
Budget estimates of new (obligational) authority	+7,089,755,700
House bill, fiscal year 1987	−428,366,000
Senate bill, fiscal year 1987	−100,237,100

EDWARD P. BOLAND,
BOB TRAXLER,
LOUIS STOKES,
LINDY BOGGS,
BILL BONER,
ALAN MOLLOHAN,
JAMIE L. WHITTEN,
BILL GREEN,
LAWRENCE COUGHLIN,
JERRY LEWIS,
SILVIO O. CONTE,
Managers on the Part of the House.

MARK O. HATFIELD,
LOWELL P. WEICKER, Jr.,
PAUL LAXALT,
ALFONSE M. D'AMATO,
JAMES ABDNOR,
PETE V. DOMENICI,
PATRICK LEAHY,
JOHN STENNIS,
J. BENNETT JOHNSTON,
FRANK R. LAUTENBERG,
Managers of the Part of the Senate.

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